Frauds in Nationalised Banks

209. SHRI RAJNI RANJAN SAHU: Will the Minister of FINANCE be pleased to state:

(a) what is the number of frauds, alongwith the amount of money involved, which were detected in the branches of public sector banks during the years 1988, 1989, 1990 and 1991; so far

(b) what are the names of the such public sector bank alongwith the number of frauds detected during the above period bankwise;

(c) the names of the officers of each bank who were found guilty and the punishment awarded; and

(d) what measures have been taken to check such incidents?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH): (a) and (b) Bank-wise information for the years 1988, 1989, 1990 and 1st quarter of 1991 is given in the annexure (See Appendix 159, Annexure No. 8)

(c) and (d) The Management of the Banks after conducting necessary enquiries about the conduct of officers wherever found involved takes necessary disciplinary action. Wherever required, police cases are also registered. It is thus not possible to indicate as to how many officers or outsiders would be involved in the statement referred to in (a) & (b) above. Reserve Bank of India and Government have been monitoring the situation on a regular basis. In order to make the vigilance machinery more effective, it has been decided to appoint Chief Vigilance Officers from outside the particular bank. Preventive and detective vigilance work have been emphasised in the meetings of Chief Vigilance Officers. Banks have books of instructions indicating precautions/ checks which their staff should observe to prevent occurrence recurrence of frauds. Banks are taking steps to strengthen the control mechanisms including the internal audit/ inspection machinery and to make them effective so as to eliminate the scope for frauds and malpractices.

NRIs Investment in India

210. SHRI KRISHAN LAL SHARMA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Government have again approached the NRIs recently, to invest in India;

(b) whether any new schemes have been formulated in this regard; and

(c) if so, what are the details of the schemes and the response of NRIs thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) Many schemes/facilities to attract Non-Resident Indian (NRI) investments are in existence. The Government attaches great importance to investments by NRIs and has taken a number of steps to make such investments attractive and new schemes are inroduced from time to time.

(b) and (c) the Reserve Bank of India in June, 1991 has introduced a new scheme for attracting Foreign Currency U. S. Dollar Deposits on a non-repatriable basis. The scheme carries interest rate of 1 per cent above the 3-year FCNR dollar deposit rates and has a maturity period of five years. FCNR rates vary and presently are 9 per cent per annum for 3 years U. S. Dollar deposits.

As the scheme has been introduced less than a month ago, it is too early to comment on the response.

Uncleared goods in Bombay customs cargo Complex

211. SHRI S. MADHAVAN: Will the Minister of FINANCE be pleased to state:

(a) whether the Bombay customs cargo complex has been filled up with uncleared goods because of the failure of the private and Public Sector Undedtakings to clear their goods, resulting in the new cargo lying in open areas for want of space; and

(b) if so, what action is being taken by Government in the matter?